



HELPING EMPLOYEES NAVIGATE TIP AND OVERTIME TAX REPORTING

KEY DETAILS FOR EMPLOYEE TAX FILING

As tax season approaches, we want to help you prepare for **employee questions related to tip income and overtime pay reporting**, particularly following recent IRS guidance connected to President Trump's *One Big Beautiful Bill Act*.

To help you respond confidently and reduce confusion, here are a few key points you can share with employees:

- **Reported tips** appear on the employee's **Form W-2 in Box 7**.
- **Overtime earnings** are reflected on the employee's **final pay stub of the year**, which employees can use as a reference when determining their qualified overtime amount.
- The IRS has provided examples and clarification in **IRS Notice 2025-69** to assist employees when filing.

Sharing this information proactively can help reduce payroll and tax-related questions during filing season.